

place a higher priority on prevention and wellness, saving lives as well as money. It is time to reform health care so all Americans can compare the costs and benefits of different health care policies. It is time to reform health care so Americans have more choices, not less, and can choose their own doctor.

I applaud the members of the Finance Committee and the Health, Education, Labor, and Pensions Committee in the Senate, as well as our counterparts in the House, for their sincere dedication, their thoroughness, and their commitment to crafting legislation that truly will transform the health care system in this country.

It is clear this is not an easy task and is one that will require true compromise from everyone across the ideological spectrum, but it is a task that must be done. Our country and the health of its citizens, as well as the economy, cannot afford to maintain the status quo.

As the members of these committees gather to discuss and ultimately mark up legislation, I encourage them to include a viable public option in a menu of insurance options from which Americans may choose. It will be—and let me stress this—it would be a purely voluntary option.

If you like your current plan, you keep it. But a public health insurance option is critical to ensure the greatest amount of choice possible for consumers. There are too many Americans who do not have real choices when it comes to health insurance, especially those who live in rural areas.

In addition, many large urban areas are dominated by one or two insurers that serve more than 60 percent of the market. In fact, there are seven States where one insurer has over 75 percent of the market share.

A public option can help Americans expand their choice of insurance provider. A public option could take various forms, and I think the committees are the proper place to determine the appropriate contours of a public option.

I think a good starting point for discussion is the proposal put forward by my colleague from New York, Senator SCHUMER. It delivers all the benefits of increased competition without relying on unfair, built-in advantages for the federally backed option.

This public option would not be subsidized by the government or partnered with Medicare. It would not be supported by tax revenue. It would compete on a level playing field with the private insurance industry. If a level playing field exists, then private insurers will have to compete based on quality of care and pricing, instead of just competing for the healthiest consumers.

This is just one proposal for public option. There are others we can debate as we move forward.

Right now, more than 30 State governments offer their employees a

choice between traditional private insurance and a plan that is self-insured by the State. Some of them have had them for more than 15 years.

In these States, the market share of the self-funded plans within the market for State employees typically ranges from 25 to 40 percent. This shows a healthy competition between the public option and private insurers, not domination by either type of insurer. The States provide these options because they believe it adds value to competitive offerings they give their workers.

These arrangements do not seem to be a problem or incite ideological issues at the State level. Why should it be so when discussing health reform on the national level?

A public option can go a long way in introducing quality advancements and innovation that many private insurers do not now have the incentive to implement.

Medicare and the veterans health system have spearheaded important innovations in the past, including payment methods, quality of care initiatives, and information technology advancements.

A new public option could also help lead the way in bringing more innovation to the delivery system and introducing new measures to reduce costs and improve quality.

A public option can serve as a benchmark for all insurers, setting a standard for cost, quality, and access within regional or national marketplaces. It can have low administrative costs and can have a broad choice of providers.

Simply put, Americans should have a choice of a public health insurance option operating alongside private plans.

A public option will give Americans a better range of choices, make the health care market more competitive, and keep insurance companies honest.

The key to all this, however, is that a public option will be just that, as I said—an option, not a mandate.

Some people will choose it; others will not. If you like the insurance plan you have now, you keep it. If you are happy with the insurance you get with your employer, or even the individual insurance market, you stay enrolled in that insurance plan. And if you are unsatisfied with the public option, you have the option to switch back to private insurers.

Americans firmly support the ability to choose their own doctor and value their relationships with their providers. So do I.

An overriding goal of health reform is to increase patients' access to affordable, quality health care, and offering a public option can help increase Americans' choices.

I am heartened that I was joined by 26 other Senators several weeks ago in cosponsoring a resolution introduced by Senator BROWN calling for the inclusion of a federally backed health insurance option in health care reform.

Senators who have been involved in health care issues for decades—Sen-

ators KENNEDY, DODD, ROCKEFELLER, HARKIN, BINGAMAN, and INOUE, just to name a few—have all agreed that a public option should be included.

As I said before, I admire the efforts of my colleagues on the Finance and Health, Education, Labor and Pensions Committees who will be drafting our health reform legislation.

They have an important responsibility, and I recognize that they will be debating many options regarding coverage, financing, regulations, and so on.

I simply encourage them to consider seriously a public option as a choice for Americans in any new health insurance exchange.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BEGICH). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANDERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE REFORM

Mr. SANDERS. Mr. President, I think the American people are aware that our country is in the midst of a major health care crisis. That is not a secret to anybody. Forty-six million Americans have no health insurance and, importantly, even more are underinsured, with high deductibles and copayments. Further, some 60 million Americans, including many with health insurance, do not have access to a medical home of their own. In fact, according to the Institute of Medicine, some 18,000 Americans die each year from preventable diseases because they lack health insurance and do not get to a doctor when they should.

I can recall very vividly talking to several physicians in Vermont who told me how people walked into their office, quite sick, and when they asked why they hadn't come in earlier, they said: Well, we don't have a lot of money; we didn't have any health insurance. The result is that those patients died. That happens every single day in this great country.

When we talk about health care, we have to understand that access to dental care is even worse. On top of that, in our Nation, we pay the highest prices in the world for prescription drugs. My State of Vermont borders on Canada, and it is not uncommon for people to go from Vermont to Canada to buy the prescription drugs they need at far lower cost than in America.

In the midst of all of this—the 46 million Americans without health insurance, people being underinsured, and people paying outrageously high prices for prescription drugs—at the end of the day, our Nation pays far more for health care per person than any other country on Earth. Far more. It is not even close. Yet despite the enormous

sum of money we spend, our health care outcomes—what we get for what we spend—lag behind many other countries in terms of life expectancy—how long our people live, in terms of infant mortality, and other health indices.

According to a recent report from the National Center for Health Statistics—this is just one example—the United States ranks 29th in infant mortality in the world—29th in the world. We are tied with Poland and Slovakia for 29th in the world in terms of infant mortality. In all due respect to our friends in Poland and Slovakia, we should be doing a lot better than that because we spend a lot more on health care than they do in Poland and Slovakia.

Further, according to a study published in the London School of Hygiene and Tropical Medicine, the United States has the highest rate of preventable deaths among 19 industrialized nations. Although our rate has declined over the past 5 years, it is doing so at a slower rate than other countries. According to that study, if the rate of preventable deaths in the United States improved to the average of the top three countries, which are France, Japan, and Australia, approximately 100,000 fewer residents of the United States would die annually.

When we talk about health care, we are not just talking about individuals who suffer and die because they do not have health care. What we are talking about is that the high cost of health care—as President Obama makes clear all of the time—is a major economic issue as well. In our country today, we are now spending about 16 percent of our GNP on health care, and the cost of health care is continuing to rise at a very high rate, which becomes economically unsustainable. The fact is, General Motors, which recently declared bankruptcy, spends more money on health care per automobile than they do on steel, and that creates an economic climate in which America—our companies—becomes noncompetitive with other countries around the world. But it is not just large corporations such as GM. Small business owners in Vermont and throughout this country are finding it harder and harder not only to provide health care for their workers but even for themselves.

In addition, a recent study found that medical problems contributed to 62 percent of all bankruptcies in 2007 and that between 2001 and 2007, the proportion of all bankruptcies attributable to medical problems rose by nearly 50 percent. Interestingly, 78 percent of those who experienced bankruptcy as a result of illness were insured. They were insured. These are not people who did not have any health insurance. But it speaks to the inadequacy and the lack of coverage, comprehensive coverage, in many health insurance programs.

We as a Congress, for whatever reason—and I will suggest the reason in a moment—do not really spend a lot of time discussing why the American

health care system is so expensive, why it is so inefficient, why it is so complicated. We do not talk about that very much. I fear that has a lot to do with the role private health insurance plays over the political process in this country. Let me be very clear. In my view, the evidence is overwhelming that the function of a private health insurance company is not to provide health care. The function of a private health insurance company is to make as much money as it possibly can. The truth is, the more health care a private health insurance company denies people, the more money it makes. If you submit a claim for coverage and they deny it, from their perspective that is a very good thing because they make more money.

Further, in pursuit of making as much money as they can, private health insurance companies have created a patchwork system which is the most complicated, the most bureaucratic, and the most wasteful in the world. According to a number of studies, we are wasting about \$400 billion a year in administrative costs, in profiteering, and in bureaucratic billing practices. That is enough money to provide health care to all of the uninsured.

I know that is not an issue we are supposed to be talking about here on the floor of the Senate because we are not supposed to take on the insurance companies or the drug companies because of all of their power. But I believe, if we are serious about moving toward a universal, comprehensive, cost-effective health care system in this country, we have to talk about the very negative role private health insurance companies are playing in that process.

Administrative costs for insurers, employers, and the providers of health care in the United States are about one out of every four health care dollars we spend. In other words, for every \$1 we spend, one quarter of that dollar does not go to doctors, does not go to nurses, does not go to medicine, does not go to therapies; it goes to administration. That is at the root of the problem we have in terms of health care costs in America. In California—one example—only 66 percent of total insurance premiums are used to cover hospital and physician services. One-third, \$1 out of every \$3, is spent on administration, billing, claims processing, sales and marketing, finance and underwriting.

The American people want their health care dollars spent on health care. I know that is a radical idea, but when people spend money on health care, they assume it goes to the provision of health care, not profiteering, not administration, not hiring more bureaucrats to tell us we are not covered when we thought we were covered. What the American people want is close to 100 percent of that dollar to go to health care and not bureaucracy.

While health care costs in America have soared, as everybody knows, from

2003 to 2007 the combined profits of the Nation's major health insurance companies increased by 170 percent. Health care costs are soaring, profits of the major health insurance companies have gone up by 170 percent from 2003 to 2007, and CEO compensation for the top seven health insurance companies averaged over \$14 million per CEO. To add insult to injury, some of these health care profits are going directly into campaign contributions and into lobbying to make sure, in fact, the Congress does not move forward toward real health care reform, which, in my view, means a single-payer health care system.

That is where we are right now. We have the most inefficient, wasteful, bureaucratic system of any major country on Earth. Our health care outcomes, despite all the money we spend, are way below many other countries in the world. And we are not discussing the most important issue with regard to health care spending; that is, the role private health insurance companies are playing.

We are now in the beginning of the debate on health care. I am going to do my best to make sure that issue of the role private health insurance companies are playing in the system, the very negative role they are playing, is something that, in fact, we talk about.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. BROWN. Mr. President, I commend my friend, the junior Senator from Vermont, for his words, this critique about the health insurance system—what is right about it and what is wrong with it. We know, for those with insurance, we can get good medical care in this country. We know many people do not have any insurance. We know many others have inadequate insurance. And we know that so many Americans are in a situation where they are anxious about the future of their health and the quality of health care they have. Too many Americans have seen their health care premiums go up, their deductibles go up, and their copays go up. They end up with a private insurance company that finds ways to delay paying them, to in many cases not reimburse them at all for their health care expenses. It is insurance that does not really deliver, and that is really no insurance at all.

What Senator SANDERS said is exactly right. The behavior of health insurance companies has meant we have huge administrative costs.

More and more, we remember what the President of the United States said when he was a candidate for President. Senator SANDERS mentioned that story at the White House the other day to President Obama, how moved people in this country were when they heard the President talk about his own mother who was dying, who was fighting with insurance companies over paying for her cancer treatment while she was dying. She had to advocate for herself.

Her son was advocating for her, of course, too. But she went through the trauma and pain of cancer and the trauma and pain of dealing with insurance companies. We know that. Yet some in this body want to increase the role of private insurance and allow them to continue to game the system.

We also know that private insurance companies in many ways are simply a step ahead of the sheriff. They do not mind insuring someone who is 50 and healthy, but they would rather not insure someone who is 63 and unhealthy because they can make more money on someone who is healthy, but in somebody who has a preexisting condition, they will find a way not to insure them or not to pay off to them when they get sick. We know about the inefficiencies in the health care system, in private insurance. We know the difficulties with private insurance, the bureaucracy, and we know about the administrative costs of private insurance.

Private insurance administrative costs run anywhere from 15 percent to 30 percent, depending on whether you are in a big group plan, a smaller group plan, or an individual plan. We also know Medicare, which has delivered for 44 years—it was signed by President Johnson in July of 1965—we know Medicare has delivered very well in the great majority of cases for the American people, for the elderly, but we also know Medicare has about a 2-percent or 3-percent administrative cost—again, contrasted with 15 to 30 percent with private insurance companies.

We also know, interestingly, there is a statistic—there was a study several years ago of the richest industrial democracies—France, Germany, Japan, Israel, England, Spain, Italy, Canada, and the United States—and they rated all these countries according to several health care indices: life expectancy, infant mortality, maternal mortality, inoculation rates for children, all those things. Of the 13 countries they looked at, the United States ranked 12th. Even though we spent twice as much as any other country on Earth per capita, our outcomes were not as good. We were 12th out of 13. In one category, America ranked near the top, and that is life expectancy at 65.

If you get to be 65 in this country, the chances are you are going to live a longer, healthier life than almost any other country in the world. Why? Because we have a health care system, Medicare, that provides health insurance for everybody over 65. There are holes and gaps in coverage in Medicare; the premiums can be pretty hard for some to reach; the copay and deductibles can be a problem.

Overall people know when they have Medicare they are pretty darned well taken care of. That is not the case for people under 65. I came to the floor tonight for a few more moments, as I was listening to Senator SANDERS talk so eloquently, to share a couple stories.

Sherry, in Albany, OH, is not Medicare eligible. She is forced to consider borrowing from the equity in her home to pay her \$1,070 premium through

COBRA. She had a job. She lost her job. She has to pay the employer and employee side to pay for her health insurance. That is the way COBRA works. It is a good program but a bit of a cruel hoax. If you lose your job, it is pretty hard to pay your premium and your employer's premium at the same time.

She is considering borrowing against her house to pay for her health insurance for COBRA for 18 months. She will get a little bit of help now, because in the stimulus package, we took care of some of that. She has to find a way until she is 65 to cobble together insurance.

Terry, a small business owner nearby in Columbus, expects to pay 35 percent more this year to cover his employees. He wants to cover his employees, but he has a 30-percent increase. What is he supposed to do, especially when his business—I don't know a lot about his business, but so many small businesses are squeezed more and more because of the economy. So we know these stories, and that is why it is so important that we address health care reform this year.

We want to do several things. First of all, anybody who is in a health care plan they are happy with, they are satisfied with now, they can stay in that plan. If they want to make that choice, they stay in the plan. Second, we need to do something on costs, to stop the huge increase in premiums, copays, deductibles. We have to do a better job to constrain costs in the health care plan than this government or the private sector has been able to do for decades.

Third, we need to give people full choice. That means they can stay in their plan, as I mentioned earlier, No. 1, but they also will have a choice of private insurance plans and a public plan, a public option. So they can choose a private plan with Aetna or a private plan with United Health or a private plan with BlueCross BlueShield or they can decide to join a public plan, a public plan that might look similar to Medicare, which they can decide, perhaps they would save money or have better preventive care or a plan with lower copays or deductibles.

They can make the choice. A great majority of the Democratic caucus, and I hope Republicans will join us, an overwhelming sector wants that option, a public plan and a private plan they can choose, that might be similar to Medicare.

Anything we tried in health care, every time that health care reform was introduced, the cries of "government takeover" and "socialized medicine" were heard from by conservatives who do not think government should have a role in health care.

We are the only country in the world that thinks that, it seems like, because every other country has a major part of their health care plan, a major part is involved with the government, if not the whole plan.

We are not asking for a government takeover, we are not doing socialized

medicine. That is what they always say. We heard it in 1948, when Harry Truman tried to push through Medicare. We heard it in 1965, when Lyndon Johnson and the overwhelmingly Democratic House and Senate passed the Medicare law. We heard it in 1993, my first term in the House, Senator SANDERS' second term in the House. And that is what insurers are claiming today. They are saying: Government takeover of medicine. That is not true. We want a government option plan. We want the government to provide a Medicare plan that people can choose from. You can choose a private plan or public plan.

Americans deserve no less. Our country can afford no less. The President asked us to move on this as quickly as we can and to do it right. This is our chance, and I think we are going to do it.

Mr. SANDERS. Would the Senator from Ohio yield?

Mr. BROWN. Yes.

Mr. SANDERS. I wish to thank him for his cogent remarks, talking about one of the most basic issues facing this country and that is health care. We are on the Veterans' Committee as well, and I know you spend a lot of time talking to veterans in Ohio. Has the Senator heard a veteran in Ohio tell you they want to privatize the VA?

Mr. BROWN. I have heard mostly conservative Republicans say they want to privatize the VA.

Mr. SANDERS. Every time that issue is raised, the veterans say no.

Mr. BROWN. One of the things we noticed about the Veterans' Administration is that the VA has found a way to buy, at the lowest cost possible, some of the least-expensive but good-quality prescription drugs. Because what the VA does—there are millions of veterans—they negotiate on behalf of veterans with individual drug companies for individual prescription drugs, individual pharmaceuticals, and they get a rate at about one-half of what you would pay if you went to Drug Mart or Rite Aid or any of the other stores.

The Medicare bill, when it came through the House and Senate—President Bush pushed that bill—they did not allow us to negotiate drug prices. We know what this is about. We know if we follow the lead of the drug industry and the insurance industry, which this Congress did through most of the first part of this decade with President Bush, we end up with special interest laws that protect the drug companies or insurance companies.

Or we can now pass health care with a public option plan, give the public the option of going to a Medicare-like plan instead of a private insurance company plan, if they want to, or stay in the plan they are in and then they decide on what kind of care they would like.

Mr. SANDERS. My friend from Ohio is exactly right. If you talk to the people of this country, if you talk to the veterans and say: Do you want VA

health care to be privatized? Overwhelmingly, no.

In recent years, the Senator from Ohio, I, and others, have worked to substantially increase funding for federally qualified community health care centers all over this country. These are the most cost-effective ways of providing quality health care, dental care, low-cost prescription drugs, mental health counseling.

The people of this country want those. I hope we have success in expanding that program. But I get a little bit tired of hearing from some of our friends on the other side who tell us: Oh, people do not want government involved in health care. Well, you tell that to seniors. Tell them you want to privatize Medicare. Tell that to the veterans, that you want to privatize the VA.

The fact is, as the Senator from Ohio indicated, we are wasting tens and tens of billions of dollars every year in bureaucracy, in billing, in excessive CEO salaries through private health insurance companies. At the very least, the people of this country are demanding, and we must bring forth, a strong—underline “strong”—public option within any health care reform program we develop.

Mr. BROWN. I thank the Senator from Vermont. It is pretty clear, and I think this Congress is going to do the right thing. The President, when he met with us last week, as he promised in his campaign, was strongly in favor of purchasing insurance from the Medicare look-alike plan or private plans or either one or keeping what they already have.

The President has spoken strongly on it for months. The majority of this Congress wants to do the same. I am hopeful that is what we will do in the months ahead.

HONORING OUR ARMED FORCES

SERGEANT JUSTIN DUFFY

Mr. NELSON of Nebraska. Mr. President, I rise today to honor Army SGT Justin J. Duffy, age 31, who was killed in Iraq on June 2, 2009.

Sergeant Duffy was born in Moline, IL. As a child, his family moved to Cozad, NE, where he graduated from high school in 1995. He earned a degree in criminal justice from the University of Nebraska-Kearney. Duffy worked at Eaton Corporation for 5 years, where he was recognized for his work ethic and leadership ability and promoted to a supervisor position. His colleagues and friends said Duffy was the kind of person who never missed a day on the job and was always on time and ready to work. This young man stood out among his peers and always sought a challenge, so it came as no surprise to his friends and family when he decided to join the Army, enlisting in May 2008.

Sergeant Duffy's father Joe said the U.S. Army had attracted his son because he wanted adventure and needed more of a challenge and he believed

that desire would be fulfilled by serving in the military. His time with the U.S. Army was marked by success; one of his proudest accomplishments was his quick rise to Sergeant, beating the standard time it normally takes to achieve that rank. Sergeant Duffy was assigned to the 3rd Brigade Combat Team, 82nd Airborne Division. While in Iraq, Sergeant Duffy's team was responsible for escort security for high-ranking military leadership.

Sergeant Duffy passed away in eastern Baghdad after an improvised explosive device detonated near the humvee he was driving; three of his fellow soldiers were also wounded in the blast. Sergeant Duffy served his country honorably and made the ultimate sacrifice for his fellow Americans. His life and service represents an example we should all strive to emulate.

SGT Justin Duffy leaves behind his parents Joe and Janet Duffy of Cozad, NE; his grandfather LeRoy Hood of Moline, IL; and two sisters Jenny of Grand Island, NE, and Jackie of Yuma, AZ. He will forever be remembered by his family and friends as the kind of person who was quick to jump in wherever he was needed; some even labeled him a shepherd, as he always looked out for family, friends, and even strangers. I join all Nebraskans today in mourning the loss of Sergeant Duffy and offering our deepest condolences to his family.

SPECIALIST JEREMY R. GULLETT

Mr. BUNNING. Mr. President, I would like to invite my colleagues to join me in recognizing Greenup County, KY, for paying tribute to Army SPC Jeremy R. Gullett.

SPC Jeremy R. Gullett served in the 4th Battalion, 320th Field Artillery Regiment of the 101st Airborne Division based out of Fort Campbell. He lost his life in the line of duty on May 7, 2008, in the Sabari District of Afghanistan.

This evening Greenup County will have a dedication ceremony to name a local bridge after Specialist Gullett, honoring his life and service to our Nation. The bridge will serve as a reminder to all of those who live or travel through Greenup County of the sacrifice Specialist Gullett made for our freedom.

A member of the Greenup County High School Class of 2003, Specialist Gullett participated in his high school's Junior ROTC program and joined our Nation's Armed Forces soon after earning his diploma. In addition to serving under our Nation's armed services, Specialist Gullett was a member of Little Sandy Volunteer Fire Department and Veterans of Foreign Wars, dedicating his life to service domestically and internationally.

Specialist Gullett's sacrifice for our Nation will forever be a reminder that freedom comes at a high cost. We should never take for granted the sacrifice that men and women make daily in all branches of the Armed Forces.

As we commemorate the life and service of SPC Jeremy Gullett, my

thoughts and prayers are with his friends and family. All Kentuckians and Americans are deeply indebted to Specialist Gullett.

DECEPTIVE MARKETING

Mr. LEVIN. Mr. President, last month the Senate passed and the President signed H. R. 627, the Credit CARD Act of 2009. Thanks to the hard work of Senator DODD, Senator SHELBY, Representative MALONEY, many other Members of Congress, and the multitude of fed-up citizens who protested unfair treatment by credit card companies, this landmark bill to protect consumers from abusive credit card practices was passed over the objections of powerful lobbies. Millions of Americans will benefit now that some balance of power is being restored between card holders and card issuers.

Today, I want to thank Senator DODD and Senator SHELBY for including in the Credit CARD Act a provision that I authored and that was cosponsored by Senator COLLINS and Senator MENENDEZ, to stop the deceptive marketing of free credit reports. I would also like to thank Senator PRYOR for working with me to address his concerns about the provision.

Credit reports are a record of an individual's history of receiving and repaying loans, and they frequently contain errors. At the same time, these credit reports are used to calculate the credit scores that have become so central to evaluating a person's creditworthiness. Credit scores are used to determine whether someone will qualify for a credit card, what interest rate they will get, and whether and when that rate will increase. Credit scores perform a similar function for home mortgages, car loans, and consumer lines of credit. Some companies use these scores to screen applicants for apartments, insurance, security clearances, and even jobs. The important role a credit score plays in our everyday lives makes it all the more critical that the reports used to calculate these scores are accurate and accessible to consumers.

In the United States, three large nationwide credit reporting companies, often called “credit bureaus,” compile and maintain credit reports for the vast majority of consumers. Until Congress passed the Fair and Accurate Credit Transactions, FACT, Act of 2003, consumers had to pay a fee in order to access or attempt to correct the information in their credit reports.

The FACT Act gave consumers the right to a free annual report from each of the nationwide consumer reporting companies. The FTC mandated the establishment of a website, AnnualCreditReport.com, to provide consumers access to their federally mandated free credit reports. In these difficult economic times, it is critical that consumers have a clear understanding of their right to get a free annual report, an easy way to obtain